

43rd MEETING
OF THE
MARYLAND HEALTH CARE COMMISSION

Friday, February 21, 2003
Minutes

Chairman Wilson called the meeting to order at 1:08 p.m.

Commissioners present: Beasley, Crofoot, Etheredge, Ginsburg, Malouf, and Row.

ITEM 1.

Approval of Minutes

Commissioner Ernest Crofoot made a motion to approve the Minutes of the January 16, 2003 meeting of the Commission, which was seconded by Commissioner Evelyn Beasley, and unanimously approved.

ITEM 2.

Update on Commission Activities

- Data Systems and Analysis
- Health Resources
- Performance and Benefits

Barbara McLean, Executive Director, Pamela Barclay, Deputy Director of Health Resources, and Enrique Martinez-Vidal, Deputy Director of Performance and Benefits were attending a meeting of the General Assembly in Annapolis. Ben Steffen, Deputy Director of Data Systems and Analysis, did not need to supplement the written *Update of Activities*. Copies of the *Update* were available on the documents table and on the Commission's website at: <http://www.mhcc.state.md.us/mhccinfo/cmsnmtgs/updates/>.

ITEM 3.

ACTION: CERTIFICATE OF NEED

Exemption from CON Review: Adventist HealthCare
Relocation of 15-Comprehensive Care Beds from Washington Adventist Hospital to
Fairland Nursing and Rehabilitation Center

Chairman Wilson announced the next item on the agenda. Susan Panek, Chief of Certificate of Need, said that the Commission's predecessor, the Maryland Health Resources Planning Commission, granted an exemption from Certificate of Need review to Adventist HealthCare Mid-Atlantic Corporation (AHM, or Adventist) for the relocation of twenty comprehensive care facility (CCF) beds from two of its nursing homes to Washington Adventist Hospital (WAH) in November of 1996. Changes in Medicare's reimbursement system for post-acute care and delays in Medicare payments have caused the unit to operate at a loss since its opening in January 1997. After receiving Commission authorization to temporarily delicense the twenty CCF beds in November, 2001, WAH decided to seek Commission approval to relocate fifteen of the twenty CCF beds to Fairland Nursing and Rehabilitation Center (Fairland) eight miles away in Silver Spring. The CCF bed capacity at Fairland will increase from 82 to 97 beds and Adventist Healthcare will relinquish the remaining five CCF beds. Staff recommended that the Commission approve the requested exemption from Certificate of Need review. Vice Chairman Malouf made a motion that the Commission approve the exemption, which was seconded by Commissioner Constance Row, and unanimously approved.

ACTION: the Exemption from Certificate of Need Review is hereby APPROVED.

ITEM 4.

PRESENTATION: Update on the Analysis of Emergency Department Use in Maryland

Last April, the Commission released the report, *Trends in Emergency Room Utilization: An Analysis of the Issues and Recommendations to Address Overcrowding*. Among the recommendations from that report was that MHCC and HSCRC provide further information on emergency room use to the industry. In October, the MHCC awarded a task order to the Project Hope Center for Health Affairs: (1) to determine how different models of ED organization can impact use; (2) to examine the appropriateness of emergency room use; and (3) to conduct an in-depth analysis of ambulance diversions across the state. Penny Mohr and Claudia Shur of Project Hope presented some of the key findings.

General ED Use:

- Two million ED visits in 2001
- One quarter of Maryland's residents used an ED
- The top 5 percent of users had 3 visits or more for the year
- Substantial variation across population subgroups million ED visits in 2001

Medicaid enrollees and the uninsured are disproportionately high ED users

- About half of visits by children under 6 did not require ED care
- Persons aged 18-34 also had a high proportion of inappropriate ED use
- A relatively low proportion of ED visits by the elderly did not require ED care
- Of the 47 hospitals in Maryland, only 5 had no alerts
- 13 were on alert status for more than 2,160 hours (90 days)

- Baltimore city's 11 hospitals accounted for 40% of alert hours statewide
- 25% of all alert hours were attributable to four hospitals

Conclusions:

- EDs in Maryland serve as an important source of care for disenfranchised and vulnerable groups
- ED is commonly used for nonurgent, primary care-treatable conditions
 - Children
 - Not Medicaid and uninsured
- Pervasive use of ambulance diversions, but this is not an efficient, system-wide solution to ED overcrowding

Chairman Wilson thanked Ms. Mohr and Ms. Shur for their presentation.

ITEM 5.

PRESENTATION: Overview of the Methodology for the *State Health Care Expenditures*

Chairman Wilson said that during the presentation on state health care spending last month, several Commissioners expressed interest in obtaining further information on the methodologies used in constructing the estimates. Linda Bartnyska, Chief of Cost and Quality Analysis, presented an overview of the methodologies used to develop the estimates. Key principles for developing the methodology include:

◆ *Report design should reflect:*

- The structure of the health care industry
- The mechanisms used to finance care
- Sufficient expenditure detail to reveal changes in purchasing decisions made by participants

◆ *Data collection & processing should:*

- Be affordable & sustainable over time
- Utilize existing, high quality data produced on an annual basis
- Avoid further direct data collection from payers and providers due to cost, data quality, and timing.

Chairman Wilson thanked Ms. Bartnyska for her presentation.

ITEM 6.

LEGISLATIVE REPORT

Chairman Wilson announced the next agenda item. Kristin Helfer-Koester, Chief, Legislative and Special Projects, reviewed legislative activities in the Maryland General Assembly. The Commissioners discussed HB 759 Advisory Committee to study Expansion of the All-Payor System, HB 765 Task Force on Care First Mission, HB 788 MHCC-Hospital-based Health Care Practitioner Payment System, HB 792 Individual Health Insurance Availability Act, HB 1029 Health Insurance-Small Employers-Individual Coverage, and SB 651 Health Insurance-Small Group Market-Health Reimbursement Arrangements. Consensus of the Commissioners was that the Commission's position on these bills will be determined by Chairman Wilson and the Commission's staff.

ITEM 7.

Hearing and Meeting Schedule

Chairman Wilson announced that the next scheduled meeting of the Maryland Health Care Commission will be on Tuesday, March 18, 2003 at 4160 Patterson Avenue, Room 100, in Baltimore, Maryland at 1:00 p.m. The Hearing and Meetings Schedule was available at the documents table as well as on the Commission's website.

ITEM 10.

Adjournment

There being no further business, the meeting was adjourned at 2:35 p.m. upon motion of Vice Chairman Malouf, which was seconded by Commissioner Beasley, and unanimously approved by the Commissioners.